

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

NOTICE OF MARKET-DOMINANT
PRICE ADJUSTMENT

Docket No. R2013-10

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CHAIRMAN'S INFORMATION REQUEST NO. 5, QUESTION 4
(October 30, 2013)

The Postal Service hereby files its responses to question 4 of Chairman's Information Request No. 5, issued on October 22, 2013. The question is stated verbatim, and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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4. [Standard Mail] The Postal Service stated that it did not align the commercial and nonprofit discounts for automation 5-digit flats because it did not want to increase the nonprofit passthrough further above 100 percent. *Id.*, at 47. The Postal Service has proposed to increase the commercial automation 5-digit flats discount from 8.7 cents to 9.2 cents. Please explain why it was not feasible to increase commercial discount by less to align with the lower nonprofit discount of 9.0 cents.

RESPONSE:

Pursuant to Commission Order No. 1573 (Docket No. R2013-1), which approved the revised workshare discounts submitted in *United States Postal Service Response to Order No. 1541*, filed on November 26, 2012, the commercial automation 5-digit flats discount is 9.3 cents. As explained in its *Notice of Market Dominant Price Adjustment*, filed on September 26, 2013, the Postal Service is proposing to decrease the commercial discount from 9.3 cents to 9.2 cents. Since the Postal Service is not increasing the commercial automation 5-digit flats discount, it is not able to respond to the Commission's question.